United Nations

A/61/802

General Assembly

Distr.: General
16 March 2007

Original: English

Sixty-first session
Agenda item 151
Financing of the United Nations Integrated Mission in Timor-Leste

Proposed budget of the United Nations Integrated Mission in Timor-Leste for the period from 25 August 2006 to 30 June 2007

Report of the Advisory Committee on Administrative and Budgetary Questions

Initial proposal for the period 25 August 2006 to 31 March 2007	$172,528,600
Authorized by the General Assembly in resolution 61/249*	$170,221,100
Proposal submitted by the Secretary-General for the period 25 August 2006 to 30 June 2007	$194,565,300
Recommendation of the Advisory Committee for the period 25 August 2006 to 30 June 2007	$184,819,900

* Commitment authority.

07-27274 (E) 190307

I. Introduction

1. **The recommendations of the Advisory Committee on Administrative and Budgetary Questions set out in paragraphs 8, 18, 19 and 22 below would entail a reduction of $9,745,400 in the proposed budget of the United Nations Integrated Mission in Timor-Leste (UNMIT) for the period from 25 August 2006 to 30 June 2007. The Committee also makes a number of observations and recommendations regarding the administration and management of the Mission and opportunities for further savings.**

2. During its consideration of the proposed budget, the Committee met with the Deputy Special Representative and other representatives of the Secretary-General. The documents used by the Committee in its consideration of the financing of UNMIT are listed at the end of the present report.

3. In its resolution 1704 (2006), the Security Council decided to establish UNMIT as a follow-on mission for an initial period of six months, with the intention of renewing for further periods, and also decided that UNMIT would consist of an appropriate civilian component, including up to 1,608 police personnel, and up to 34 military liaison and staff officers. The mandate of UNMIT is set out in paragraph 4 of resolution 1704 (2006). By its resolution 1745 (2007), the Council, inter alia, extended the mandate of the Mission to 26 February 2008 and decided to increase the Mission's authorized force strength by up to 140 police personnel in order to permit the deployment of an additional formed police unit to supplement the existing units, particularly during the pre- and post-electoral period. The presidential election is expected to be held in April 2007. The date of the parliamentary elections will be announced later.

4. In its resolution 61/249, the General Assembly authorized the Secretary-General to enter into commitments for UNMIT for the period from 25 August 2006 to 31 March 2007 in a total amount not exceeding $170,221,100, inclusive of $49,961,500 previously authorized by the Committee, and decided to assess the amount of $170,221,100 on Member States.

II. Information on performance for the current period

5. The Committee was informed that, as at 27 February 2007, a total of $141,636,000 had been assessed on Member States in respect of UNMIT. Payments received as at the same date amounted to $8,168,000, leaving an outstanding balance of $133,468,000. As at the same date, the cash position of the Mission was $12,500,000 and current loans from the Peacekeeping Reserve Fund amounted to $40,000,000. **The Committee expresses its concern regarding the precarious cash-flow situation of the Mission.**

6. The Committee was informed that liabilities for formed police units for 2006 amounted to $1,738,000, with no payments having yet been made. Liabilities for contingent-owned equipment and self-sustainment for 2006 amount to $1,444,000, with no certified claims having yet been received.

7. The Committee was informed that, as at 28 February 2007, the incumbency for UNMIT was as follows:

	Authorized/proposed	*Encumbered*
Military observers	34	33
United Nations police	1 045	892
Formed police units[a]	703	563
International staff	469	192
National staff	1 136	673
United Nations Volunteers	386	214

[a] Includes 140 police personnel authorized by the Security Council in its resolution 1745 (2007) (see also para. 11 below).

8. Upon request, the Committee was provided with current and projected expenditures for the period from 25 August 2006 to 30 June 2007. Current expenditure as at 5 March 2007 amounts to $67.6 million against the approved commitment authority of $170.2 million, or 40 per cent for a financial period which is more than 80 per cent complete. This represents a significant underexpenditure. The Committee's doubts concerning the actual cash requirements of the Mission were reflected in its recommendation set out in paragraph 25 of its previous report on the financing of UNMIT (A/61/567) that assessment be limited to 50 per cent of the commitment authority. The Committee notes that the expenditure projected for the period from 6 March to 30 June 2007 corresponds precisely to the envisaged unencumbered balance of $126,953,000. **The Committee continues to doubt the capacity of the Mission to utilize all the requested resources. It therefore recommends a reduction of 5 per cent in the proposed budget for the period from 25 August 2006 to 30 June 2007. Should the appropriation prove insufficient, further requirements would be reported in the context of the performance report.**

III. Proposed budget for the period from 25 August 2006 to 30 June 2007

9. At the time of the Committee's consideration of the request for commitment authority in November 2006 (see A/61/519 and A/61/567), the Secretary-General indicated that the full budget for the Mission for the 2006/07 period would be submitted to the Committee in mid-February 2007 and to the General Assembly in March 2007, some seven months into the financial period "in view of the recent establishment of the Mission and the time required for the preparation of the results-based budgeting frameworks and determination of its full resource requirements for the 2006/07 period" (see A/61/519, para. 3). The Committee has commented extensively on the implications that such a delay has for proper budget practice (see A/61/567, paras. 6-11).

10. The proposed budget for UNMIT for the period from 25 August 2006 to 30 June 2007 as contained in document A/61/759 amounts to $194,565,300 gross ($190,723,100 net). The budget provides for the deployment of 34 military liaison and staff officers, 1,608 police personnel, including 1,045 United Nations police officers and 563 formed police personnel, 469 international staff, 1,136 national staff and 386 United Nations Volunteers.

11. As noted above, by its resolution 1745 (2007) the Security Council decided to increase the authorized strength of formed police units by up to 140 personnel. Owing to the timing of the preparation of the proposed budget and the adoption of resolution 1745 (2007), related resource requirements were not included in the budget. By a letter dated 1 March 2007, the Officer-in-Charge of the Office for Programme Planning, Budget and Accounts informed the Committee that it was intended to absorb the additional requirements from within the appropriation for UNMIT for the 2006/07 period to be approved by the General Assembly. The Officer-in-Charge further informed the Committee that, should additional resources in excess of the appropriation be required, funds would be sought in the context of the Mission's budget performance report for the 2006/07 period. Upon enquiry, the Committee was informed that the cost of deploying the additional 140 personnel was estimated at $3.5 million. The Committee was subsequently informed that it was intended to absorb additional projected expenditures through the utilization of projected unencumbered balances relating to the delayed deployment of aircraft. **The Committee expects these projected expenditures to be duly absorbed.**

A. Military and police personnel

Category	*Authorized/proposed 25 August 2006-31 March 2007*	*Authorized/proposed 25 August 2006-30 June 2007*
Military observers	34	34
United Nations police	1 045	1 045
Formed police units	563	703[a]

[a] Includes 140 additional formed police personnel authorized under Security Council resolution 1745 (2007).

12. The estimated requirements for military and police personnel for the period from 25 August 2006 to 30 June 2007 amount to $35,320,900 ($1,106,700 for military observers, $21,321,500 for United Nations police and $12,892,700 for formed police units). The estimates are based on projected average strengths of 32 military liaison and staff officers and 791 United Nations police officers, with the application of delayed deployment factors of 5 per cent and 20 per cent, respectively for the period. The provision for formed police units takes into account the deployment of two formed police units in September 2006, one unit at the end of October 2006 and one at the end of February 2007. The units are each comprised of approximately 140 personnel. An additional unit of 80 personnel will be deployed at the end of March, with the possibility of a further 60 personnel at a later time.

B. Civilian personnel

Category	*Proposed 25 August 2006–30 June 2007*
International staff	457[a]
National staff	1 128[b]
United Nations Volunteers	386

[a] Excludes one P-4 and one P-3 in the Security Section funded by the United Nations country team through cost-sharing arrangements, as well as 10 temporary positions to be funded under general temporary assistance for the Conduct and Discipline Team and Internal Oversight Office (1 P-5, 4 P-4, 2 P-3, 1 P-2 and 2 Field Service).

[b] Excludes five national General Service posts in the Security Section funded by United Nations country team through cost-sharing arrangements, as well as 3 positions to be funded under general temporary assistance for the Conduct and Discipline Team and Internal Oversight Office (1 National Officer and 2 national General Service).

13. Estimated requirements for civilian personnel amount to $37,445,200 ($26,587,700 for international staff, $3,252,100 for national staff and $7,605,400 for United Nations Volunteers). The provisions reflect the application of vacancy factors of 50 per cent for 91 international staff under recruitment as of 31 January 2007 and 75 per cent for an additional 207 international staff, 40 per cent for national staff and 20 per cent for United Nations Volunteers. The proposed organizational structure is set out in paragraphs 15 to 129 and annex I of the report of the Secretary-General (A/61/759).

14. **The Committee cautions against routinely using a standard template in determining the structure and staffing levels of missions, including the number and grade levels of posts. In this connection, the Committee reiterates that missions of different dimensions, scope of activities and components have different requirements that should be reflected in structures specifically tailored to the needs of each mission (see A/61/567, para. 17).**

15. **The Committee also points out that a number of special circumstances should have been taken into account in planning for the staffing of UNMIT. For example, given the strong presence of United Nations agencies, funds and programmes in Timor-Leste, care should be taken to avoid duplicating functions and structures that already exist within the country team. The Committee recommends that the proposed budget for 2007/08 make clear the arrangements for coordination and cooperation between the United Nations country team and the Mission. Furthermore, the possibility that both presidential and parliamentary elections may be concluded by the end of the financial period should be taken into account in planning for future staffing and structures.**

16. The Committee notes that in the proposed budget, both post and non-post requirements are often asserted and not justified. **In line with the considerations set out in paragraph 15 above, the Committee urges a careful review by the Mission and at Headquarters of the staffing requirements for UNMIT.**

Recommendations on posts

17. Two Deputy Special Representatives of the Secretary-General (one for Security Sector Support and Rule of Law and the other for Governance Support, Development and Humanitarian Coordination) are requested at the Assistant Secretary-General level. The Committee understands that the responsibilities of the Deputy Special Representative for Governance Support, Development and Humanitarian Coordination include providing leadership to the United Nations assistance for the presidential and parliamentary electoral processes in Timor-Leste (see A/61/759, para. 37). **The Committee believes that the requirement for two Assistant Secretary-General level posts should be re-examined after the elections. It therefore recommends that the grade level of the Deputy Special Representative for Governance Support, Development and Humanitarian Coordination be reviewed in the context of the budget for 2007/08.**

18. The Committee notes from the organizational chart contained in annex I A of the budget the proposal that a number of substantive offices, including the Political Affairs Office, the Communications and Public Information Office and the Planning and Best Practices Unit, would report to the Chief of Staff. **The Committee sees no justification for these reporting arrangements, which constitute an additional and unnecessary bureaucratic layer in a mission the size of UNMIT. The Committee recommends, therefore, that the functions of the Chief of Staff be revised to comprise more traditional duties and that the post be established at the D-1 rather than the D-2 level.**

19. A D-1 post is requested for the Chief Political Affairs Officer. The responsibilities of the post would include assisting the Special Representative and senior management of the Mission in their contacts with Timorese authorities, political parties and civil society; the facilitation of regular contacts between key national and international actors; and the maintenance of regular liaison with the diplomatic community, Government officials and entities of the United Nations system in Timor-Leste (see A/61/759, para. 43). **The Committee believes that the need for a D-1 level post has not been adequately justified. Therefore, in line with the considerations set out in paragraph 15 above, the Committee recommends that the level for the Chief Political Affairs Officer be set at the P-5 level.**

20. The Committee notes that the proposed staffing of the Conduct and Discipline Team is to consist of a Senior Conduct and Discipline Officer at the P-5 level, two Conduct and Discipline Officers at the P-2 level, an Associate Reports Officer at the P-2 level, a National Conduct and Discipline Officer (National Officer) and two Administrative Assistants (one Field Service and one national General Service) to be funded under general temporary assistance. **The Committee recommends that the staffing of the Team be reviewed on the basis of workload and that the results of that review be reflected in the proposed budget for 2007/08.**

21. The proposed staffing of the Internal Oversight Office comprises two Resident Auditors (1 P-4 and 1 P-3), an Auditing Assistant (Field Service), two Investigators (1 P-4 and 1 P-3) and a Language Assistant (national General Service) to be funded under general temporary assistance. **The Committee recommends that the staffing of the Office be reviewed on the basis of risk assessment and that the results of that review be reflected in the proposed budget for 2007/08.**

22. The establishment of a D-2 post is proposed for the Police Commissioner owing to the Mission's robust police mandate. The Police Commissioner is to be supported by two Deputy Police Commissioners at the D-1 level, one for operations and the other for administration and development. **The Committee recommends the establishment of a D-2 post for the Police Commissioner and a D-1 post for the Deputy Police Commissioner for Operations. The incumbent of the D-1 post should assume the duties and responsibilities of the Police Commissioner in his/her absence, as indicated in paragraph 75 of the report of the Secretary-General (A/61/759). As regards the post relating to administration and development, the Committee is not convinced that the related responsibilities warrant the D-1 level. Accordingly, the Committee recommends that it be established at the P-5 level.**

C. Operational costs

(United States dollars)

Approved 25 August 2006-31 March 2007	*Proposed 25 August 2006-30 June 2007*
106 609 000	121 799 200

23. Estimated requirements under facilities and infrastructure amount to $35,582,100. The Committee recalls that during the administrative transition from the United Nations Mission of Support to East Timor (UNMISET) and the United Nations Office in Timor-Leste (UNOTIL), a total of seven properties were handed over to the Government of Timor-Leste, seven were retained for use by UNOTIL and one office was closed (see A/60/789, para. 10). Upon request, the Committee was provided with information concerning the UNOTIL facilities taken over by UNMIT (see annex).

24. The estimated requirements for ground transportation of $23,154,900 provide for the acquisition of 801 additional vehicles, for a total fleet of 839 vehicles. Upon enquiry, the Committee was informed that many of the vehicles carried over from UNOTIL had high mileage or were in a condition which rendered their repair and maintenance uneconomical. The Committee was further informed that the size of the vehicle fleet was determined on the basis of the Mission's operational requirements and that the mission-specific ratios were below the standard ratios.

25. Estimated requirements of $13,236,600 provide for the establishment of a fleet of seven commercially contracted aircraft, comprising two fixed-wing passenger aircraft and five medium helicopters. The aircraft are to be used, inter alia, for intra-theatre passenger flights and logistics flights for mail, passenger transportation, resupply and maintenance of infrastructure and communications systems; medical evacuation; deployment of United Nations police, military liaison groups and civilian and electoral staff; intra-theatre support of rotations; VIP flights; aerial reconnaissance and observation; and support for the electoral process. The Committee was informed that the delayed deployment of aircraft would permit the absorption of the costs of the deployment of the 140 additional formed police personnel authorized by the Security Council in its resolution 1745 (2007) (see also para. 11 above).

IV. Conclusion

26. The action to be taken by the General Assembly in connection with the financing of UNMIT for the period from 25 August 2006 to 30 June 2007 is indicated in paragraph 150 of the proposed budget (A/61/759). **Taking into account its recommendations set out in paragraphs 8, 18, 19 and 22 above, the Committee recommends that the estimated budget requirement of $194,565,300 be reduced by $9,745,400. Accordingly, the Committee recommends that the Assembly appropriate for UNMIT an amount of $184,819,900 for the period from 25 August 2006 to 30 June 2007.**

Documentation

- Budget for the United Nations Integrated Mission in Timor-Leste for the period from 25 August 2006 to 30 June 2007 (A/61/759)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financing of the United Nations Integrated Mission in Timor-Leste for the period from 25 August 2006 to 31 March 2007 (A/61/567)
- General Assembly resolution 61/249
- Report of the Secretary-General on the United Nations Integrated Mission in Timor-Leste (for the period from 9 August 2006 to 26 January 2007) (S/2007/50)
- Security Council resolutions 1704 (2006) and 1745 (2007)

Annex

UNOTIL facilities taken over by UNMIT

Property No.	*District*	*Property and location*	*Remarks*
1	Dili	SRSG's residence	Minor refurbishment required.
2	Dili	Obrigado barracks	Major refurbishment and new construction to accommodate additional staffing requirements of UNMIT.
3	Dili	UNMISET 100 man camp-Airport	Refurbished, occupied by UNMIT Movement Control Section.
4	Bobonaro	Regional support centre (RSC)	Retained pending construction of a new RSC at a new site in Maliana.
5	Cova Lima	Regional support centres	Being refurbished.
6	Oecussi	Regional support centres	Being refurbished.
7	Darwin	Liaison Office	No refurbishment required, however, local authorities requested return of premises. UNMIT has been in negotiations with them for replacement premises.